
Finance Committee

HB 2977

Brief Description: Concerning the burden of proof for corrections to property tax valuations made by public officials.

Sponsors: Representatives Ericks, Orcutt, Morrell, Hinkle, Williams, Alexander, Eddy, Warnick, Grant, Armstrong, Chandler, O'Brien, Sells, Lias, Roberts, Springer, Linville, Simpson, Hurst, Hasegawa, Kessler and Ormsby.

<p>Brief Summary of Bill</p> <ul style="list-style-type: none">• Lowers the burden of proof for corrections to property tax valuations.
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Hearing Date: 2/1/08

Staff: Jeff Mitchell (786-7139).

Background:

The primary responsibility of a county assessor is to determine the value of all taxable real and personal property in both the incorporated and unincorporated areas of the county. These values are used to determine the tax liabilities of the taxpayers in the various taxing districts within the county in an equitable manner. The county assessor is responsible for the calculation of property tax levies necessary to raise revenues for government services and administers a variety of tax exemptions, including the exemption and deferral programs for low income senior citizens and disabled persons. The county assessor generally maintains the tax assessor's parcel maps and legal descriptions of tax parcels as well as other records relating to property valuation.

A taxpayer who disagrees with a county assessor's value determination has a right to appeal the decision to the county board of equalization.

Through state statute, the Legislature has directed that courts and appellate bodies presume the assessor's original determination of value is correct. To overcome this presumption, a taxpayer must show by clear, cogent, and convincing evidence that there has been an overvaluation.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The Washington State Supreme Court has further ruled that once a taxpayer presents clear, cogent, and convincing evidence that overcomes the legislatively declared presumption that the assessor's value is correct, the standard of proof shifts to a preponderance of the evidence for all contested issues related to that value.

Summary of Bill:

The taxpayer's standard of proof to overcome an assessor's value determination is changed from clear, cogent, and convincing evidence, to a preponderance of the evidence. The presumption that a public official properly performed his or her duties is not evidence that the property value is correct and may not be considered by the reviewing body. A reviewing body must also apply the same evidentiary standard to testimony evidence and documentary evidence.

Appropriation: None.

Fiscal Note: Available.

Effective Date: The bill takes effect 90 days after adjournment of session in which bill is passed.